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30 June 1964

MEMORANDUM FOR: Dr. Brockway McMillan  
National Reconnaissance Office

1. This refers to your Memorandum for General Carter, CIA, dated June 30th, 1964, in which you state that there are certain actions which you must take today since contract SE 1928 for systems engineering of part of the CORONA system by Lockheed Missiles and Space Company expires today. These actions are:

a. As of 1 July 1964 you intend to establish a contract with [REDACTED] for comprehensive systems engineering and technical direction of this project.


b. At the same time, you will continue the work at LMSC, now conducted under SE 1928, under an Air Force "black" contract. This work will continue under a modified work statement that will reflect the SETD responsibilities of [REDACTED] and will define LMSC's role as an integrating contractor.

2. You will recall that in our meeting last Thursday morning, 25 June, I informed you that the Director of Central Intelligence had stated that he desired no changes in contracts, management concepts, or NRO current operating procedures for the CORONA program until the matter presently before the President's Foreign Intelligence Advisory Board had been settled, or except with his own personal approval in each case. During my absence from the city on Saturday, 27 June, the Director discussed this matter with you on the telephone, and expressed his concern at your proposal and suggested that you discuss it with Dr. Wheelon and myself. I understand that a cable from your office directing these changes and indicating that the decision had been coordinated with the DCI was subsequently suspended at the direction of the DCI. The meeting that you

NRO review(s) completed.

had yesterday afternoon with Dr. Wheelon and me was most constructive in that we were apprised of your total plans for the management and operation of the CORONA program. At that time I informed you that I would take this matter up with the Director. The first opportunity I will have to do this will be about 6 July.

3. This confirms my telephone conversations with Secretary Vance and you indicating that for the foregoing reasons I do not concur in the action that you propose. I recommend instead that the current SE 1928 contract with Lockheed be extended by the CIA contracting officer at SASFP on an indefinite basis by an appropriate letter of intent, pending settlement of this matter.

  
Marshall S. Carter  
Lieutenant General, USA  
Acting Director

cc: Secretary Vance

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30 June 1964

MEMORANDUM FOR: Secretary Vance  
Dr. McMillan

1. After dictating the attached memorandum, I received a telephone call from Mr. McCone on the West Coast who, independently and without knowledge of Dr. McMillan's memorandum of this date, had arrived at the conclusion that the actions proposed by Dr. McMillan should not be taken at this time.

2. Upon being apprised of my reply to Dr. McMillan, Mr. McCone expressed his complete approval.

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Marshall S. Carter  
Lieutenant General, USA  
Acting Director

Attachment

cc: Secretary Vance #2

Distribution:

- Orig - Adse - #1
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DEPARTMENT OF THE AIR FORCE  
WASHINGTON

OFFICE OF THE UNDER SECRETARY

June 30, 1964

MEMORANDUM FOR GENERAL CARTER, CIA

During our discussion on 29 June 1964, I explained in detail my proposed changes in the organization of the CORONA project. The overriding objective is to establish a single authoritative project office under a strong project director whom I can hold personally responsible for the continuing successful operation of the system in response to NRO direction based upon USIB requirements. This proposal was first made to the DCI in correspondence of 28 October, and elaborated further in correspondence of 10 December 1963. At their request, I briefed the President's Foreign Intelligence Advisory Board in detail on my proposal. This was at their meeting on 30 January 1964. At that time the DCI was away. Soon after his return, on 11 February 1964, I gave a similar briefing to him. He sent me a copy of his memorandum for record of that meeting. I went into sufficient detail at that time to note that I was considering, without then a commitment, the question whether to install [ ] as contractor for comprehensive systems engineering and technical direction (SETD) on the project.

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The substance of this particular briefing was reviewed with you and Dr. Wheelon yesterday.

On 4 May 1964, the DCI, presiding as Chairman of USIB, "expressed his serious concern and that of the Board in the continued failure of these intelligence satellites." After pointing out the success record of the NASA, the DCI further stated that "NRO should not spare any effort to correct deficiencies and to better reliability in the satellite reconnaissance program."

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EXCLUDED FROM AUTOMATIC DECLASSIFICATION;  
DOD DIR. 5200.10 DOES NOT APPLY

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In a restricted executive session of the USIB on 6 May 1964, "the Chairman briefed the Board on the outcome of recent discussion of satellite failures in the search program which he had had with Secretary McNamara." He further stated "Over a short range it was decided that not much could be done in the way of extensive modification to the J vehicles to correct existing deficiencies."

In a restricted session of the USIB meeting on 20 May 1964, "the Chairman said that he wished to emphasize to the NRO the impossibility of proceeding with the production of these important estimates (NIE) without results of further CORONA-J coverage. Mr. McCone stated that unless the NRO organization can come closer to meeting USIB requirements for the intelligence inventory, something would have to be done about the NRO itself. He said that he would have to respond to Secretary McNamara that if the NRO failed to obtain the necessary satellite photographic coverage in time, USIB would be unable to meet the (Secretary of Defense) requested NIE schedules." At this 20 May meeting, "the Chairman asked the D/DNRO to check with Dr. McMillan as to when he would let the Board know the reasons for the recent failures and what can be done to correct them."

In preparing to report to the USIB on actions taken or proposed to improve the performance of the CORONA system, I discussed with the DCI again on 28 May the steps I considered necessary to put the management of the CORONA project into proper order. I reported that I had recently reviewed in detail inquiries into the March and April failures of the Agena. These inquiries had been conducted at my direction by SAFSP assisted by consultants from [REDACTED] I specifically stated as my conclusion from these inquiries that Lockheed had not properly discharged a systems engineering function. I stated that in my judgment it was necessary beyond question to establish a comprehensive systems engineering

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responsibility for the project and to engage [ ]  
[ ] for this purpose.

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It is my considered judgment that the CORONA project will never operate reliably and responsibly, and will never uniformly achieve the quality of which it is known to be capable, as long as the Government's management of it is as diffused as it now is. This judgment is fully supported by the findings of the President's Foreign Intelligence Advisory Board. As long as I am responsible for the conduct of this project in the terms established by the NRO agreement, a responsibility which was clearly reaffirmed by the DCI himself in the several USIB meetings during May, I will continue to press for a centralization of the management of this project under a single authoritative project director.

Meanwhile, under the injunction of the DCI that the NRO should not spare any effort to correct deficiencies in the CORONA system, I consider that there are certain actions which must be taken today. As we discussed yesterday, Contract SE 1928 provides for systems engineering of part of the CORONA system by Lockheed Missiles and Space Company (LMSC). This contract expires today. As of 1 July 1964, I intend to establish a contract with [ ] for comprehensive systems engineering and technical direction of this project. At the same time, I will continue the work at LMSC, now conducted under SE 1928, under an Air Force "black" contract. This work will continue under a modified work statement that will reflect the SETD responsibilities of [ ] and will define LMSC's role as an integrating contractor.

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Please indicate your concurrence in this action by your signature below. If you do not concur, please give me this fact in writing, with reasons, not later than 1600 Eastern Daylight time today, 30 June 1964.

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NRO

[ ]  
BROCKWAY McMILLAN  
Director

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(S)National Reconnaissance Office

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